



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
39th Finance Battalion
Unit #20193
APO AE 09165



COMMAND TECHNICAL POLICY #12

AEUFC-FBH-CDR (37)

14 August 2006

MEMORANDUM FOR 39th Finance Battalion Soldiers and Civilians Employees

SUBJECT: Proration of Indebtedness

1. REFERENCES:

- a. Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Volume 5.
- b. Department of Defense Financial Management Regulation (DoDFMR) 7000.14-R, Volume 7A.
- c. Military Pay and Procedures Manual (MPPM), Paragraph 4.3.18.

2. PURPOSE: To establish guidelines to use in determining proper period of proration of indebtedness for Soldiers serviced by the 39th Finance Battalion.

3. APPLICABILITY: This memorandum is applicable to all detachments subordinate to the 39th Finance Battalion and will remain in effect until rescinded or superseded.

4. GENERAL:

- a. All debts of \$100.00 or less will be collected in a lump sum.
- b. When the Soldier's company commander determines, in writing, that the lump sum settlement of a debt would create a financial hardship for the Soldier, the debt may be prorated.
- c. The period of proration will not exceed 12 months.
- d. The proration period will not extend beyond the Soldier's date of separation (DOS).

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e. The following schedule applies to the collection of indebtednesses (e.g., quarters damage, GPLD, etc.):

Dollar Amount of Indebtedness	Period of Proration
\$100.00 or less	Immediate Collection
Over \$100.00 less than \$500.00	3 Months
Over \$500.00 less than \$2,000.00	6 Months
Over \$2,000.00	12 Months

f. The rules outlined in the MPPM, paragraph 4.3.18.1 o(1)-(3), apply to charging of interest and administrative fees.

g. The rules outlined above do not apply to Soldiers that are within 90 days of their date of separation. For Soldiers within 90 days of separation, all debts must be collected as quickly as possible to avoid or limit out-of-service debt.

5. RESPONSIBILITIES:

a. Detachment Commanders/Sergeants:

(1) May grant exceptions to this policy. This authority may not be re-delegated.

(2) Determine if late payment interest charges and/or administrative fees should be waived after review of the circumstances.

b. Battalion FINOPS: In doubtful cases that are unable to be resolved at the detachment level, the final determination will be made by Battalion FINOPS.

6. CONTACT INFORMATION: The proponent for this policy is the battalion FINOPS, DSN 469-7586.


RICK L. TILLOTSON
LTC, FC
Commanding